

BRANDING CITY DEVELOPMENT PROGRAM TO SUPPORT TOURISM COMPETITIVENESS (CASE STUDY: JAKARTA AND KUALA LUMPUR)

Ratna Roostika, SE, MAC, PhD

Department of Management, Faculty of Economic
University of Pembangunan Nasional “Veteran” Yogyakarta
Jalan SWK 104 (Lingkar Utara), Yogyakarta 55283, Indonesia

ABSTRACT

Tourism has important roles in supporting the nation development. In the situation where competition in the tourism sector is getting higher, the interests in practicing city branding by the government is increasing. This study applies the combination of qualitative and descriptive approaches in analyzing the role of branding and how it is applied as a case study in Jakarta and Kuala Lumpur. The positioning of Indonesia and Malaysia tourism industry within the ASEAN scope is also analyzed. Jakarta and Kuala Lumpur are chosen as the objects for the case study since both cities have practiced city marketing as well as both have their own city brand. The results using secondary data show that the processes of establishing city branding in both cities have been done through appropriate processes involving many stakeholders. However, the “Enjoy Jakarta” brand is still considered unable in fulfilling the promises that it offered. On the other hand, apart from the success of tourism Malaysia in being the most visited country as compared to other ASEAN countries, the “Visit KL” should be consistently evaluated in order to maintain the brand equity that it should have and be able to position the city in the same level as other big cities in the world.

Key word: city branding, city marketing, Jakarta, and Kuala Lumpur.

1. INTRODUCTION

Cities and places around the world are now in competition in attracting resources that have the potency of high value investment. Resources that have high value include financial investments, manufacture investments, talented people, students, national/international events, tourists, etc. These are usually called as scarce resources. Places/cities that are more attractive to scarce resources will attract those scarce resources more easily than those that are not. The consequences of attractive cities are huge. Once a city is successful in attracting scarce resources, the intensity of infrastructure development, housing program, public services, education facilities, and health services are also increasing. All of these are the consequences of increasing migration into the urban space. An appropriate management of city is vital in order to maintain livability and increase the ability of the city to attract valuable investment, talented products, and visitors.

It cannot be argued that every city has its own uniqueness that should be managed in order to create the strength of the city. In fact, all cities are always learn from other cities in that they always try to improve and not letting themselves as being outdated as compared to their neighboring cities. In that condition as all cities is keeping on improving their performance, people/consumers will see that all cities almost seem the same. If a city is not creating their differences, there will be smaller possibility to be chosen by investors or potential people. The concept of differentiation as commonly practiced by marketers is increasingly considered as part of the city policies. The increasing competition for scarce resources has made necessary for the government or local authority to include marketing approach as part of their city planning strategy and

Tourism is increasingly becoming a strategic industry that is important in supporting national development. As part of tourism development, marketing has important role in successfully promoting and introducing the city into the tourism market. The initial step of marketing activity is usually by building the awareness to the target market. The following step is developing communication and influencing decision making. Marketing can also be effective for overcoming the negative reputation about the particular city such as a city that has been in a prolonged conflict, natural disaster, criminal problem, etc. In this case, marketing is applied to rebuild the image and reputation through city re-branding program. City branding which is able to represent the soul of the city can be a powerful tool to create the pride and commitment of the residents as well as the visitors. The principal objectives of all the marketing city is basically the prosperity of the residents at most.

As the member of the world community, tourism in Indonesia is also affected by the condition of the global tourism and in particular, the regional ASEAN tourism. No country could survive in every aspect when it only concern on its sectorial ego. Every country should be able to promote cooperation with other countries so that it will create stronger capability in facing the open market. With the current technological advance, the world becomes so borderless and competition becomes so intensive and complex. This makes strengthening regional cooperation necessary to cope with the current competition. A successful marketing and branding program necessitates the harmonic collaboration among countries in the same region. Understanding the position as a member of ASEAN organization, Indonesia should take an active role in promoting the mutual cooperation while also adjusting with the dynamic of global competition. The importance of giving a focus to ASEAN market is because currently the tourism market in all ASEAN members are dominated by visitors from ASEAN (see Figure 1). In this case, focusing on ASEAN market as the target market for tourism could offer a potential to increase the benefits created from this industry.

5% 5% — —

Source: ASEAN Secretariat 2012

Figure 1. Tourism visitors ASEAN 2010 based on country of origin

In practice, marketing city is not as simple as merely promoting and creating slogan, jargon, and logo. More importantly, there is a need for the authorities to be able to transform the approach when managing city from bureaucratic approach into pragmatic and strategic entrepreneurial approach (Kartawijaya & Yuswihady 2005). In order to success in marketing city, the authority should start with doing auditing and marketing strategic planning, defining appropriate strategy, building positive image, conducting effective communication, and evaluating the marketing performance. How the big cities around the world with their brand such as Kuala Lumpur with "Visit KL" and Jakarta with "Enjoy Jakarta" managing their marketing program? How effective is their branding performance? In order to answer these questions, thus, this study is aimed at finding the answer of this following research question "How is the implementation of the Jakarta and Kuala Lumpur branding program?" Using the tourism context, the objective of this study is: 1) to discuss the importance of the role of marketing city through branding, 2) to analyze the case study on Jakarta and Kuala Lumpur branding as two big cities in ASEAN region, and 3) to analyze the importance of understanding the competitive positioning in tourism sector at regional scope.

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2. RESEARCH METHODOLOGY

This study applies qualitative approach. The qualitative method does not involve mathematical models, statistics, or computer computations. The qualitative approach follows the standard procedure as commonly applied in the research method which begins with discussing background study, providing the review on supporting literature, and analyzing the data. The case study method is chosen in order to achieve the objective of this study. A case study is a method which empirically investigates a phenomenon that exists around us in a real world. A case study as explained by Karyadi (2012) is a study which tests a phenomenon by an in-depth investigation and analyzing comprehensively on important aspects of the case being investigated. Yin (2008) divided case study into three namely: explorative case, explanatory case, and descriptive case. This study uses descriptive qualitative approach in order to describe in-depth analysis on Jakarta and Kuala Lumpur brand building. The data collections are gathered through analysis on the secondary data sources which are from books, tourism journals, online websites, and previous research findings.

3. LITERATURE REVIEW

3.1. City Branding

'Place' is commonly defined as destination, city, region, nation, and country. Kotler (2002) explains that the definition of place covers: country, region, capital, ethnic, culture, market, industrial center, tourism destination, regional cluster, etc. The meaning of city branding is changing from time to time. Before being recognized as "city branding", the concept was more popular as "city selling". The place selling concept emphasizes more on the promotion and advertising aspects. Researcher in this study is not differentiating between the term 'place' and 'city', where both term receives the same treatment in marketing program. In its development, marketing city covers a more comprehensive dimensions relating to local strategic development. In this case, the marketing discipline should be in synergy with other discipline such as city planning, city design, architecture, sociology, economics, etc. In the early 1980, city marketing is seen only as promotional aspect of residents' prosperity (Van Gent, 1984 and Peelen, 1987 in Ashworth and Voogd, 1990). City marketing is also defined as the awareness in attracting the private investment to realize the expected city planning (Pumain, 1989 in Ashworth and Voogd, 1990). Kotler, et al, (2002) specifically explained that 'local marketing is a process of designing the region aimed at satisfying the target market'. The local authority is considered successful if the target market feels satisfied with all the facilities provided and services offered can fulfill the expectation of the target market (Kotler, et al, 2002). The target market covers: 1) the residents, 2) visitors (tourists, business people, investors), and 3) others who take part in supporting the region competitive strength.

Kotler (1993) argued that the government has the responsibility towards its main customers namely: the citizens and workers, business and industry, visitors and export market. These main city customers have important role in helping the government in promoting and marketing the city. The application of city marketing requires integration among the society, businesses/ industry, and the government (Kartajaya, et al., 2002). Kartajaya, et al. further (2002) explain that in order to success in marketing the city, the city actors need to offer the condition that are good in terms of *liveability*, *investability*, and *visitability*. *The Anholt-GMI City Brand Hexagon* (Vary, 2011) is an index measurement for branding city that can help the city in increasing the level of *liveability*, *investability*, and *visitability*. *The Anholt-GMI City Brand Hexagon* emphasizes the following six dimensions for cities to concern when building their brand:

1. *Presence*: It measures city global contribution on science, culture and governance.
2. *Place*: It measures people perception on physical aspects such as climate, cleanliness, attractive buildings, environments, and parks.
3. *Pre-requisites*: It measures people perceptions relating to the provision of basic facilities such as public amenities, accommodation, school, hospital, transportation, etc.

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4. *People*: It measures respondent perception whether the city's residents are friendly, open, good tolerance, able to speak the global language such as English, and willing to learn new culture.
5. *Pulse*: It concerns on how city is able to provide something interesting, something innovative and new, something worth to spend free time.
6. *Potential*: It concerns on how city able to provide good opportunities to economic condition and education. It is about whether it gives good opportunities for jobs, good place to do business, and has good facilities to pursue higher educations.

There are many cities owning many potential resources but unable to promote their valuable resources. When those resources are not promoted, the cities will never be known for their potential resources by the potential global market. In the marketing context, Kartajaya et al. (2002) suggested four marketing strategic elements that all city stakeholders should provide. There are:

1. *Image marketing*: it can be supported by the brand such as Jakarta "Enjoy Jakarta" and Kuala Lumpur "Visit KL".
2. *Attraction marketing*: It can be done through the attractive environment, public parks, buildings, historical sites, gardens, and shopping centers.
3. *Infrastructure marketing*: It concerns the availability of public infrastructure such as: transportation, road accesses, and telecommunications.
4. *People marketing*: It covers the friendliness of the residents, the existence of famous figures, talented and creative people.

For all cities, in order to be able to become a city with high competitiveness, a city needs to change its mindset in becoming a market oriented city. The fundamental change that must be realized is the change from *bureaucratic* to become *entrepreneurial mind set*. In this case, entrepreneurial mind set emphasizes on the responsiveness on following up all potential opportunities that are commonly practiced by *Customer-driven government*. A Customer-driven government is the kind of government who place focus on the needs and wants of its consumers and all the decisions that are taken are based on what market/consumers wants. This can be done by consistently searching the information from the market, listening to the market, and regularly conducting market survey to gain specific information.

3.2. City Branding

The image and reputation that a city owned have significant effect on the relationships with other cities or countries. Furthermore, the image can also have effect on how the city's residents or the citizenships being treated in other countries such in the area of education, employment, and business. In the marketing discipline, city branding concept is the further development of product branding and company branding. City branding is defined as "*the practice of applying brand strategy and other marketing techniques and disciplines to the economic, political and cultural development of cities, regions and countries*" (Asworth & Kavaratzis, 2009). A good brand is commonly built on a long process which involves all groups of city stakeholders. A good brand represents all the city's strengths and uniqueness. The success of the government in building its brand reflects indirectly on how the government provides services to its residents and its whole consumers. The image of a city is not only built by having a logo or slogan or a symbol which is continuously promoted to the market. A logo or slogan is only one tool in promoting a brand. The success of a brand is determined by many complex factors. In the tourism sector, brand plays the same role in providing identity and is a reflection of an image of the tourism destination. Image is a set of believe, idea, and impressions perceived by tourists on a destination (Huh, 2006). Image can also be influenced by city residents and varieties of local products, facilities, culture, and infrastructures.

3.3. Travel and Tourism Competitiveness Index

In order to provide information relating to competitiveness index in the area of tourism, *World Economic Forum* (WTO) published *Travel and Tourism Competitiveness Index* (TTCI), which is the index measurement on factors and policies relating to attractiveness of tourism destination. TTCI is divided into three main areas: *travel and tourism regulatory framework; travel and tourism business environment and infrastructure; and travel and tourism human, culture and natural resources*. The data provided in TTCI is very useful as a basis for understanding the positioning in tourism sector among countries. TTCI also provides the regional report on tourism sector. There is a relationship between the success of city/country branding program and the positioning of the city/country. The discussions of city branding should consider all the city infrastructures and public facilities in which many complex areas can effect on city brand. The following discussions will describe the case of two big cities in ASEAN (Jakarta and Kuala Lumpur) relating to brand, followed by the positioning of Indonesia and Malaysia among the ASEAN countries in terms of tourism industry.

4. ANALYSIS AND DISCUSSIONS

4.1. Data Analysis

4.1.1. Branding Jakarta Profile

Jakarta was used to be called 'Sunda Kelapa', a port city, with cosmopolitan nature, and has varieties of background, culture, and religion. The Jakarta brand is known as 'Enjoy Jakarta', with a logo as can be seen in Table 1. The population has reach 9 million currently. The strength of Jakarta is its business activities as well as the capital city of Indonesia. Every year, the number of immigration into Jakarta is increasing, which causes the problem more and more. Apart from a business city having many places for shopping, Jakarta on the other hand also rich in culture and historical buildings, as the heritage which has been passed on from the dutch colonial and the early government. The nature of current tourism which is no longer focus on leisure has made Jakarta actively take part in promoting the city as destination for MICE (*Meetings, Incentives, Conferences, and Exhibitions*) such as event, conference, concert, sports, etc. In supporting the success of Jakarta as destination for MICE, many supporting infrastructure are built and modernized such as the development of *convention center*, sports centers, etc.

Table 1. Tourism destination components: Jakarta and Kuala Lumpur

Sector Indonesia Malaysia		
1Special cullinary	Karedok, kerak telur, roti buaya, soto betawi, gado-gado betawi, bir ketok, asinan betawi, kembang goyang.	Nasi lemak, satay, Indian food and Chinese food – hot from the wok.
2Public attraction	Dunia Fantasi, Taman Mini Indonesia Indah, Ancol, Kebun Binatang Ragunan, Setu Babakan, Waterboom Jakarta.	KL Tower, Central Market, Menara Kembar Petronas, Titiwangsa Lake Gardens, KLCC Park, KL Lake Garden, KL Bird Park, KL Orchid Garden.
3Heritage building	Masjid Angke, Gedung BI, Gereja Katedral, Masjid Istiqlal, Kota Tua, Museum Jakarta, Istana Negara.	Mesjid Negara, Masjid Jamek, Gedung Sultan Abdul samad, Thean Hou Temple, Katedral St Mary The Virgin, Sri Maha Mariamman Temple,
4Shopping	Plasa Indonesia, Plasa Senayan, Grand Indonesia, Taman Anggrek Mall, Senayan City, Citraland Mall, WTC Mangga Dua, Pondok Indah Mall	Suria KLCC Shopping Centre, The Petronas Twn Tower, Sungai Wang Plasa, Bukit Bintang Plasa, The Pavillion.
5Symbol/icon	Ondel-ondel, Monas tower and ‘ Jakarta ’	Enjoy Petronas Twin Tower, Masjid Abdul Samad, KL Tower, sun, Flower, and “ Visit KL ”.
6Logo		

Source: www.jakartatourism.go.id, www.visitkl.gov.my

In the process of making brand Jakarta “Enjoy Jakarta”, there were some tagline previously proposed namely “*Jakarta, it’s Real,*” “*There’s More in Jakarta,*” “*Jakarta, Spice of Life,*” and “*Enjoy Jakarta*”.

The “Enjoy Jakarta” as Jakarta brand was chosen after the P n al meeting among Jakarta tourism stakeholders. The brand was then legalized based on UU No 12 year 2006. The logo was agreed by Jakarta governor and was signed as Jakarta brand on 15 July 2004 and then publicly published on 2005. The reason for choosing “Enjoy Jakarta” is based on the consideration whether this logo looks quite modest and simple to describe the fun and enjoyable feeling about Jakarta. “Enjoy Jakarta” brand is aimed at building the positive perceptions to visitors, increasing image among tourists, business people, as well as acquiring commitment and dedication from the residents.

4.1.2. Branding Kuala Lumpur Profi le

Kuala Lumpur is the capital city of Malaysia, a metropolis with 1.4 million populations. Similar to Jakarta, the residents of Kuala Lumpur consist of varieties of background in terms of the race, country of origin, religion, and culture. The varieties of background are reß ected from the varieties of building architecture, language, traditional ceremony, and food. Kuala Lumpur has been continuously run many national events and festivals, including hosting international sports events such as *Formula One, Commonwealth Games, SEA Games, Foot Ball World Cup, Thomas and Uber Cup* , etc. Kuala Lumpur also actively takes part in the competition of MICE (*Meetings, Incentives, Conferences and Exhibitions*) industry. MICE is a new sector in tourism which the contribution to the nation income as well as building reputation and image is signiP cant.

The "Visit KL" logo is an icon intended to describe the rich background that Kuala Lumpur has and visitors will find the uniqueness of the city when visiting Kuala Lumpur. The "Visit KL" logo was launched in 25 June 2008. The "Visit KL" logo was designed with the following consideration: providing a trendy nuance, modern but still respecting the heritage and culture. The Petronas Twin Tower and KL Tower reflect the trendy and modern aspect, Sultan Abdul Samad building represents the historical richness, the sun represents the happiness and brightness of the city, and the flowers represent diversity as cosmopolitan city. The word "Visit KL" was made as a simple and light writing, to provide a balance to the whole logo.

4.1.3. Statistical Data on Tourism Visitation ASEAN Region

Based on BPS DKI Jakarta data (www.jakarta.bps.go.id), the foreign visitors to Jakarta increased from 1.216.057 (2007) to 1.892.866 (2010). Overall visitation by foreign and domestic visitors increased from 5.505.759 (2007) to 7.002.944 (2010). Further, data in year 2007 showed that overall visitors to Indonesia were 14.962.253 tourists. Table 2 shows the arrivals of tourists from all over the world to all ASEAN countries member.

Tabel 2. Tourism Arrivals and Total Population ASEAN 2012

	Indonesia	Malaysia	Brunei	Cambodia	Laos	Myanmar	Philippine	Singapore	Thailand	Vietnam
Int'l Tourists arrivals*	7,650	24,714	214		2,882	1,670		391	3,917	10,390
								19,098	6,014	
Rank**	74	35	67	109	94	10	41	80		
Population***	237,6	28,3	0,4	15	6,4	61,2	94	5,2	41	80

* in thousand **rank across 139 countries

*** in million

Source: World Economic Forum 2012 in ATMS (2012)

Figure 2 shows the development and prediction of tourism visitation across ESEAN member countries.

12000000

Source: Secretariat ASEAN 2012

Figure 2. Tourist arrival ASEAN 2009-2015

In order to further see the performance of branding and positioning Jakarta and Kuala Lumpur, researcher used the TTCI criteria to analyze the secondary data. The TTCI has competitive index which consists of three main areas which are: 1) *regulatory framework, business environment and infrastructure*, 2) *business environmental and infrastructure*, and 3) *human, cultural and natural resources*. Table 3. shows the Indonesia and Malaysia ranking across those three pillars.

Table 3. Ranking ASEAN TTCI based on 3 pillars (2011)

Pillars		Indonesia	Malaysia
T & T Regulatory Framework			
1	Policy rules and regulations	88	21
2	Environmental sustainability	127	64
3	Safety and security	72	83
T & T Business environment and infrastructure			
1	Air transport infrastructure	58	34
2	Tourism transport infrastructure	116	74
3	IT transport infrastructure	96	52
T & T human, cultural and natural resources			
1	Human resources	51	37
2	Natural resources	17	22
3	Cultural resources	39	33

Source: WTO 2012 (rank among 139 countries)

4.2. Discussions

The result of the qualitative method used in this study will emphasize on: 1) the role of branding, 2) the branding processes that have been done by Jakarta and Kuala Lumpur, and 3) the tourism performance of Indonesia and Malaysia based on the positioning in *tour and travel competitiveness index* (TTCI) data.

The process of building “Enjoy Jakarta” and “Visit KL” brand was long and expensive. “Enjoy Jakarta” was selected through long processes, involving selection of several slogans and agreement among stakeholders (*Friends of Jakarta Tourism*). “Visit KL” was also created through long and expensive processes, and currently *Kuala Lumpur City Hall* and *The Kuala Lumpur Tourism Action Council* own the intellectual property right. The processes of building the brand has been through comprehensive and appropriate procedures. Nevertheless, there is a question whether the performance of the brand is actually reaching the target performance. By looking at Figure 1, since the domination of visitors are still dominated by ASEAN residents, therefore, Indonesia and Malaysia should take emphasize on targeting the regional market (ASEAN visitors). The increase on ASEAN residents’ prosperity and purchasing power, better transportation and technology has made travelling overseas affordable. Currently, travelling overseas (particularly to the neighborhood ASEAN countries) has becoming a trend for Indonesian, since it is cheaper as well as still offering attractiveness. The competition among ASEAN member countries in tourism sector need to always be seriously managed. The focus on regional market does not mean that visitors from China, America, Oceania, and Europe which has less proportion should not be well served. The non-ASEAN market is also important and potential to be developed since people all over the world enjoy things different, things unique, and things entertaining. Thus, there is still a huge possibility to develop the market globally.

The success of a brand is determined by how it fulfills what it promised as shown in the logo. As the theory said, the success of branding cannot only be measured based on the economic aspect. This is because a city is not only a tangible product such as common product that can be directly consumed. The consumption of city is the experience that all people feel and receive when dealing with the city. Therefore, whether what it offers really being fulfilled is the main indicator of a successful city brand. The government alone can never be successful in managing the brand program. Instead, all the city stakeholders, particularly the residents must take part on the success of branding their city. Branding “Enjoy Jakarta” that has been launched since 2005 is considered not seriously being implemented by Jakarta’s government as well as its residents. The ongoing case of big flood, everyday traffic jam, ethical behavior in public spaces, and high criminality are common views in Jakarta. These views certainly contradict to “Enjoy Jakarta” slogan. The Jakarta new Governor Joko Widodo was once in the TV media interview (December 2012) said “Enjoy Jakarta, what can you enjoy from

Jakarta". This shows that the new governor realizes the problems that Jakarta have and it is a good starting point that the committed government is the best asset to change into better and enjoyable Jakarta.

Similar to Jakarta, Malaysia is also experiencing in flood, traffic jam, and rubbish. Even though the condition in Jakarta is worse, the brand logo "Visit KL" does not actually make a high promise so that there is a smaller gap between what "Visit KL" is promised and what it can fulfill. The word "Visit KL" sounds quite common, however, the uniqueness is shown more on the main picture. When the brand does not say a too promising word, it is quite safe. But there are also the risks of using too common word (such as "Visit...") in branding. It is necessary such as Kuala Lumpur to add and emphasize the unique symbol/picture into the common word used in its city branding.

City branding theory was developed from company branding. Similar to company, the famous city will be easier to promote their products and services, easier to make profits, and attractive to other scarce resources. Successful city is also experiencing in an increase in its position in the middle of the global community as well as can play important role in the global policy. Successful brand increase the residents' pride and commitment. Knowing the strategic role of branding, there is no reason for the government not to consider the branding program in its government policy. As far as brand program is only a promotion activity to logo and slogan, this selling concept will be just wasting the government budget as well as receiving no support from its residents. Knowing that the development and success in city brand building have lots of challenges, the initial process of building brand should clearly state the main objective and target, transparent, involve different group of stakeholders, and conduct continuous evaluation. Survey on city branding equity for stakeholders (residents and visitors) should regularly assess, especially to identify the strength, weaknesses, opportunities, and threats. All the uniqueness that a city has should be able to be synergized into the brand. For example, the government with support from the talented residents can promote the strength of the city offering such as: in culinary, city can facilitates the iconic food and organize food festival; in the historical and heritage building, city can restore and promote more sophisticated events emphasizing on the sustainability of the site; in culture, city can regularly handle iconic festival such as "ondel-ondel" festival, etc. Ondel-ondel as a product as well as a culture could be creatively and innovatively designed as a package of tourism programs (bundle of services and products). The main aim of promoting an iconic product is when seeing the product, public/visitors can directly remember about the city that is represented.

Table 2 shows positioning of Indonesia and Malaysia on ASEAN tourism sector. In 2012, Malaysia has noted the highest visitors among other countries in ASEAN. The number of visitors reached 24 million beating Thailand and Singapore in second and third places. This figure should motivate Indonesia in pursuing better performance since Indonesia has rich tourism resources. Branding and marketing are not sufficient to boost the tourism performance, but committed government and residents are necessary in managing tourism resources. The huge number of population in Indonesia can also be an asset as well as problems since the level of poverty in the cities and rural areas are still considerably high. The huge number of population also means the more complexities. The ASEAN member countries rank across 139 countries as listed in TTCI is not that bad. It can be seen that Singapore is the only country that is placed on the top 10 position as best tourism destination. Figure 2 provides prediction on the trend of tourism sector until year 2015 which shows an increasing trend. This should motivate Indonesia to make the best achievement on the potential opportunities available from the tourism sector. If fail, Indonesia will experience in a big loss, since Indonesia has so many unique resources highly valuable for tourism industry.

Table 3. describes the position of Indonesia and Malaysia relating to pillars in tourism sector. From the *regulatory framework*, Indonesia is in position 88 out of 139 countries. This means that Indonesian regulation and policies relating to tourism need to be evaluated particularly the implementation area since the position is quite low (under 50%). The environmental issues are also an element that strongly effect on tourists perception. Indonesia is also in a low position relating to environmental concern. Why Indonesia is not friendly to the environment? This is a question that needs to be answered, so that solution can

of safety and security, Malaysia and Indonesia are almost in the same position which is in the middle across 139 countries. Both countries have to be able to improve the safety and security sectors, since position in the middle is still considered lack of competitiveness in the tourism sector.

Relating to “*Business Environment and Infrastructure*”, overall, Malaysia has better performance than Indonesia. Infrastructure is vital for basic requirements such as transportation is important for accessibility from one place to other place. The bad infrastructure will decrease the competitiveness apart from having rich culture, history and beautiful natural landscape. Being in number 166 on transportation infrastructure, this is a red signal, where Indonesia should seriously improve the transportation systems and facilities (land, air, and sea). Relating to “*Human, cultural, and natural resources*”, Indonesia and Malaysia are well positioned as compared to other 139 countries. It cannot be argued that Indonesia and Malaysia have a rich culture and natural resources. Indonesia and Malaysia need to increase the skill of their people and the education, so that people are more tolerable and open when facing new people (foreigners). As indicated in *The Anholt-GMI City Brand Hexagon*, “people” is one of important indicators for city branding. The residents that are welcome to tourism are indicated by their openness, tolerable, friendliness, and ability to handle communication in different language.

If Indonesia and Malaysia want to position themselves equal with other well-known global cities such as London, Melbourne, New York, and Paris, Indonesia and Malaysia need to be able to coordinate all of their sectors and all stakeholders to fulfil what the brand promised. It means that government alone can never be able to fulfil the promise without the support of the residents and other stakeholders, since what the city offers are “*experiences*”. Providing experiences involves the contributions of many sectors and society. Committed *Leadership* and *governance* are required in order to achieve the target performance in city branding. The benefits of branding should be enjoyed most to the residents, and further to visitors and investors. Seeing the increasing trend on tourism sector as can be seen in Figure 2, the trend gives a big hope to the government and all tourism sector players, in that, they have to change from their bureaucratic mindset into more market oriented mindset. Opportunities should be well managed, so that tourism can always be a sector that contribute to high income and provide multiplier effects to other sectors.

5. SUMMARY

In the middle of an intensifying competition in the tourism sector, the role of marketing through city branding is becoming more important. More government gives serious concern in building and implementing their city branding. City branding contributes many benefits to the city as it communicates and creates an image enable to attract scarce resources (business people, talented people, students, tourists, and investors). In addition, branding enables in building the feeling of pride and residents’ commitment. However, in fact the practice of branding is majority only being understand as far as promoting logo, icon, and slogan, while less concern on the commitment to fulfil the promise to the whole city stakeholders in providing livable city. “Enjoy Jakarta” and “Visit KL” which have been developed through a long and expensive process are holding many big responsibilities to proof what they have been promised. Whether “Enjoy Jakarta” and “Visit KL” could be as strong brand as “I love New York” or “I Amsterdam”, lots of big jobs need to be done.

Indonesia and Malaysia are in the vital position in the ASEAN tourism sector. Among 139 countries listed in the TTCI, the position of Indonesia and Malaysia are varies and not yet on the top. Thus, there are still many things need to be done to improve the condition of their tourism sector. Malaysia indeed shows better position in many pillars used in TTCI as compared to Indonesia. Indonesia in this case should seriously improve many supporting sectors that will increase the competitiveness of its tourism industry. The descriptive qualitative method that was used in this study discussed the role of marketing and branding on city competitiveness. Understanding that the success of branding program is dependence on many other sectors such as government policies, governance, infrastructure, tangible and non-tangible resources, therefore, there is a need for a good synergy among sectors as well as a well-planned strategic branding program. This study theoretically

gives contribution on the relationships between branding and marketing theories to the implementation of city branding in reality. Practically, in addition to explain the role of marketing and branding to the authority, the data shown could be used as guidance in evaluating the tourism sector.

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